

HB3138



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3138

by Rep. Derrick Smith

SYNOPSIS AS INTRODUCED:

815 ILCS 5/18.2 new

Amends the Illinois Securities Law of 1953. Provides that the Secretary of State may impose and collect a fee on the transfer of securities and derivative financial instruments. Provides a list of covered transactions and sets the fee rate to be collected by the Secretary.

LRB098 09144 HLH 39282 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Securities Law of 1953 is amended
5 by adding Section 18.2 as follows:

6 (815 ILCS 5/18.2 new)

7 Sec. 18.2. Fee on trading transactions.

8 (a) Definitions. For purposes of this Section:

9 "Derivative financial instrument" means any option,
10 forward contract, futures contract, notional principal
11 contract, or any similar financial instrument.

12 "Specified base amount" means the fair market value of the
13 security at the time of the covered transaction.

14 (b) In addition to any other fee that the Secretary of
15 State may impose and collect pursuant to the authority
16 contained in this Act, beginning on January 1, 2014 the
17 Secretary of State shall also collect a fee on the transfer of
18 ownership in each covered transaction with respect to any
19 security.

20 (c) Rate of fee. The fee imposed under subsection (b) of
21 this Section with respect to any covered transaction shall be
22 \$0.10 of the specified base amount with respect to the covered
23 transaction.

1 (d) Covered transactions:

2 (1) except as provided in item (2) of this subsection,
3 any purchase if that purchase occurs or is cleared on a
4 facility located in Illinois; and

5 (2) any transaction with respect to a security
6 described in item (4), (5), or (6) of subsection (e) of
7 this Section if that security is traded or cleared on a
8 facility located in Illinois.

9 (e) "Security" means:

10 (1) any share of stock in a corporation;

11 (2) any partnership or beneficial ownership interest
12 in a partnership or trust;

13 (3) any note, bond, debenture, or other evidence of
14 indebtedness, other than a State or local bond the interest
15 of which is a excluded from gross income under Section
16 103(a) of the Internal Revenue Code;

17 (4) any evidence of an interest in, or a derivative
18 financial instrument with respect to, any security or
19 securities described above;

20 (5) any derivative financial instrument with respect
21 to any currency or commodity including notional principal
22 contracts; and

23 (6) any other derivative financial instrument any
24 payment with respect to which is calculated by reference to
25 any specified index.